

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W.R. GRACE & CO., *et al.*,¹) Case No. 01-01139 (JKF)
) (Jointly Administered)
)
Debtors) Objection Deadline: July 31, 2003 at 4:00 p.m.
) Hearing Date: TBD only if necessary

**SUMMARY APPLICATION OF WOODCOCK WASHBURN FOR COMPENSATION
FOR SERVICES AND REIMBURSEMENT OF EXPENSES AS SPECIAL LITIGATION COUNSEL TO W.R.
GRACE & CO., ET AL., FOR THE MONTHLY INTERIM PERIOD OF MAY 1, 2003, THROUGH
MAY 31, 2003, FOR THE QUARTERLY FEE PERIOD OF APRIL – JUNE, 2003**

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| Name of Applicant: | <u>Woodcock Washburn LLP</u> |
| Authorized to Provide Professional Services to: | <u>W. R. Grace & Co., et al., Debtors and Debtors-in-Possession</u> |
| Date of Retention: | <u>Retention Order entered January 22, 2003</u> |
| Period for which compensation and reimbursement is sought | <u>May 1, 2003, through May 31, 2003</u> |
| Amount of Compensation sought as actual, reasonable and necessary: | <u>\$ 20,293.50</u> |
| Amount of Expense Reimbursement sought as actual, reasonable and necessary: | <u>\$ 703.19</u> |

¹ The Debtors consist of the following 62 entities: W.R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W.R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-g II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W.R. Grace Capital Corporation, W.R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Horco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc.), Grace JVH, Inc., Asbestos Management, Inc., Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing System, Inc. (f/k/a Environmental Liability Management, Inc.), E&C Liquidating Corp., Emerson & Cuming, Inc., Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Applicant Woodcock Washburn LLP submits this application for fees and expenses for the month of May 2003. This is the fifth application for interim compensation for services that has been filed with the Bankruptcy Court by Woodcock and the second application for services in the April – June 2003 quarter. The following applications, which are pending, have been filed previously with the Court:

| Date Filed | Period Covered | Requested Fees | Requested Disbursements |
|--------------|----------------|----------------|-------------------------|
| May 9, 2003 | 1/1 – 1/31/03 | \$11,423.35 | \$184.10 |
| May 9, 2003 | 2/1 – 2/28/03 | 29,216.00 | 684.22 |
| May 9, 2003 | 3/1 – 3/31/03 | 14,351.00 | 647.43 |
| June 3, 2003 | 4/1 – 4/30/03 | 14,268.50 | 244.41 |

All fees and expenses for which compensation is sought in the current application were rendered by Applicant in connection with the specific matter for which it was retained as special litigation counsel: Representation of Debtor to intervene as a defendant in *David B. Bartholic and Intercat, Inc. v. Nol-Tec Systems, Inc.*, civil action 2:02CV408JM, pending in the United States District Court for the Northern District of Indiana. Except for the fees specifically identified as “Fee Applications, Applicant,” totaling \$1087.50, all fees and expenses for which reimbursement is sought were in the category “Litigation and Litigation Consulting” in the Intercat case.

The attorneys of Applicant who rendered professional services in this case during the Fee Period are:

| Name of Professional Person | Position with the Applicant | Year Admitted to Bar | Department | Hourly Billing Rate | Total Billed Hours | Total Fees Generated |
|-----------------------------|-----------------------------|----------------------|---------------|---------------------|--------------------|----------------------|
| Gary H. Levin | Partner | 1976 | IP Litigation | \$435.00 | 5.25 | \$2,283.75 |
| David R. Bailey | Partner | 1990 | IP Litigation | \$360.00 | 37.80 | \$13,608.00 |
| Frank T. Carroll | Associate | 1998 | IP Litigation | \$250.00 | 7.20 | \$1,800.00 |
| Chad Ziegler | Associate | 1997 | IP Litigation | \$265.00 | 9.90 | \$2,623.50 |

Total Fees: \$ 20,293.50

Blended Rate: \$ 337.37

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| 05/20/03 | DRB | Preparation of discovery materials | 2.50 |
| 05/21/03 | DRB | Preparation of discovery requests | 4.00 |
| 05/21/03 | DRB | Investigation into use of Nol Tec loaders | 1.00 |
| 05/21/03 | DRB | Preparation of initial disclosures | 2.00 |
| 05/22/03 | DRB | Preparation of discovery materials | 1.50 |
| 05/22/03 | DRB | Analysis of refinery uses of Grace's products | 0.50 |
| 05/23/03 | DRB | Preparation of initial disclosure information and interviews with Grace personnel | 1.70 |
| 05/23/03 | DRB | Communication with NolTec counsel regarding discovery procedures | 0.50 |
| 05/23/03 | DRB | Advice to Grace regarding noninfringement | 0.50 |
| 05/26/03 | DRB | Preparation of discovery materials | 2.00 |
| 05/27/03 | DRB | Preparation of initial disclosures | 0.50 |
| 05/27/03 | DRB | Preparation of discovery requests | 2.00 |
| 05/27/03 | GHL | Review of Nol-Tec's responses to Intercat discovery requests; consideration of Grace's initial disclosures and discovery requests to be served on Intercat; | 0.70 |
| 05/28/03 | DRB | Preparation of initial disclosures and coordinating interviews with Grace | 2.00 |
| 05/28/03 | DRB | Preparation of discovery materials | 1.50 |
| 05/28/03 | GHL | Fee Applications, Applicant preparation of fee application for April | 0.70 |
| 05/29/03 | FTC | Further prior art analysis | 0.80 |
| 05/29/03 | DRB | Preparation of initial discovery materials | 1.00 |
| 05/30/03 | DRB | Preparation of initial discovery | 0.80 |

| SERVICES | \$ | 20,293.50 |
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| GHL | GARY H. LEVIN | 5.20 | hours at \$ | 435.00 |
| DRB | DAVID R. BAILEY | 37.80 | hours at \$ | 360.00 |
| CEZ | CHAD E. ZIEGLER | 9.90 | hours at \$ | 265.00 |
| FTC | FRANK T. CARROLL | 7.20 | hours at \$ | 250.00 |

DISBURSEMENTS:

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|---|--------|
| FEES TO LOCAL COUNSEL (Beckman, Kelly, & Smith, Hammond IN) | 483.50 |
|---|--------|

WHEREFORE, Applicant respectfully requests (a) that an allowance be made to it, as fully described above for (i) 80% of the amount of \$20,293.50 for reasonable and necessary professional services Applicant has rendered to the Debtors during the Fee Period (\$16,234.80) and (ii) 100% of the reimbursement of actual and necessary costs and expenses incurred by applicant during the Fee Period (\$703.19); and (b) that both fees and expenses are payable as administrative expenses of the Debtors' estates.

Respectfully submitted



Gary H. Levin
David R. Bailey
Woodcock Washburn LLP
One Liberty Place – 46th Floor
Philadelphia, PA 19103
(215) 568-3100
levin@woodcock.com

Dated: July 7, 2003

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W. R. GRACE & CO., et al.¹) Case No. 01-1139 (JKF)
) Jointly Administered
Debtors.)
Objection Deadline: July 31, 2003 at 4:00 p.m.
Hearing Date: TBD only if necessary

FEE DETAIL FOR WOODCOCK WASHBURN'S MONTHLY FEE APPLICATION
FOR THE PERIOD FROM MAY 1, 2003 THROUGH MAY 31, 2003

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Intercat v. Nol-Tec
Civil Action No.: 2:02CV408JM
United States District Court
Northern District of Indiana

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|----------|-----|---|------|
| 05/01/03 | GHL | Telephone conference with Mr. Maggio regarding proposed agreement with refinery, and review of proposal; | 0.30 |
| 05/01/03 | DRB | Analysis of potential discovery issues | 0.50 |
| 05/02/03 | DRB | Analysis of potential summary judgment issues | 0.50 |
| 05/03/03 | GHL | Fee Application, Applicant - preparation of Certificates of No Objection and of Quarterly Application for January-March 2003 | 1.70 |
| 05/05/03 | DRB | Analysis of Intercat discovery requests | 0.40 |
| 05/05/03 | GHL | Review of information from Grace relating to refineries and loader use; | 0.30 |
| 05/09/03 | DRB | Analysis of discovery issues | 0.50 |
| 05/12/03 | DRB | Preparation of discovery materials | 2.00 |
| 05/13/03 | DRB | Analysis of discovery issues and requests | 2.90 |
| 05/14/03 | CEZ | Drafted document discovery requests; discussed same and other discovery issues with D. Bailey. | 4.00 |
| 05/14/03 | DRB | Preparation of discovery materials | 1.50 |
| 05/14/03 | FTC | Reviewed plaintiff's first set of interrogatories, drafting discovery requests. | 2.90 |
| 05/15/03 | CEZ | Invalidity analysis | 3.00 |
| 05/15/03 | FTC | Meeting regarding document discovery and overall case strategy. | 0.70 |
| 05/15/03 | CEZ | Drafted document discovery requests; reviewed interrogatories prepared by F. Carroll. | 2.20 |
| 05/15/03 | GHL | Review of court's order granting Grace's intervention motion, and case strategy meeting with trial team in view of same; review of defenses to be asserted; | 1.50 |
| 05/15/03 | DRB | Develop strategy for Grace following entry of order adding Grace as a party; defense review | 1.00 |
| 05/15/03 | FTC | Prior art analysis | 2.80 |
| 05/15/03 | CEZ | Meeting regarding case management issues | 0.70 |
| 05/16/03 | DRB | Preparation of discovery materials | 1.00 |
| 05/19/03 | DRB | Preparation of discovery materials | 1.00 |
| 05/20/03 | DRB | Preparation of initial disclosures | 2.50 |

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|----------|-----|---|------|
| 05/20/03 | DRB | Preparation of discovery materials | 2.50 |
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| 05/21/03 | DRB | Preparation of initial disclosures | 2.00 |
| 05/22/03 | DRB | Preparation of discovery materials | 1.50 |
| 05/22/03 | DRB | Analysis of refinery uses of Grace's products | 0.50 |
| 05/23/03 | DRB | Preparation of initial disclosure information and interviews with Grace personnel | 1.70 |
| 05/23/03 | DRB | Communication with NolTec counsel regarding discovery procedures | 0.50 |
| 05/23/03 | DRB | Advice to Grace regarding noninfringement | 0.50 |
| 05/26/03 | DRB | Preparation of discovery materials | 2.00 |
| 05/27/03 | DRB | Preparation of initial disclosures | 0.50 |
| 05/27/03 | DRB | Preparation of discovery requests | 2.00 |
| 05/27/03 | GHL | Review of Nol-Tec's responses to Intercat discovery requests; consideration of Grace's initial disclosures and discovery requests to be served on Intercat; | 0.70 |
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| 05/29/03 | FTC | Further prior art analysis | 0.80 |
| 05/29/03 | DRB | Preparation of initial discovery materials | 1.00 |
| 05/30/03 | DRB | Preparation of initial discovery | 0.80 |

| SERVICES | \$ | 20,293.50 |
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| CEZ | CHAD E. ZIEGLER | 9.90 | hours at \$ | 265.00 |
| FTC | FRANK T. CARROLL | 7.20 | hours at \$ | 250.00 |

DISBURSEMENTS:

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|--|---------------------|
| FEES TO LOCAL COUNSEL (Beckman, Kelly, & Smith, Hammond IN) | 483.50 |
| POSTAGE & DELIVERY | 8.98 |
| TELEFAX, TELEPHONE | 171.35 |
| PHOTOCOPYING | 19.80 |
| COMPUTER SEARCH | 19.56 |
| <hr/> | |
| DISBURSEMENT TOTAL | \$ 703.19 |
| SERVICE TOTAL | \$ 20,293.50 |
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| INVOICE TOTAL | \$ 20,996.69 |
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